

Idaho Industrial Commission

Fiscal Year 2013 Overview and Budget Request

February 10, 2012

Thomas E. Limbaugh, Chairman



Commission Functions

2

- Decide contested workers' compensation cases
- Administer insurance requirements
- Approve settlement agreements
- Decide unemployment insurance appeals
- Mediate worker's compensation disputes
- Provide no cost return-to-work services
- Administer the Crime Victims Compensation Program



Advisory Committee

3

- 16 Member Committee Representing:
 - Workers
 - Employers
 - Insurance industry
 - Attorneys representing injured workers and employers
 - Physicians and hospitals
 - 2 special members, generally a member from the Senate and House Commerce and Human Resources Committees
- Meets quarterly to discuss issues and generate recommendations regarding Idaho's Workers' Compensation System



FY11 Statistics

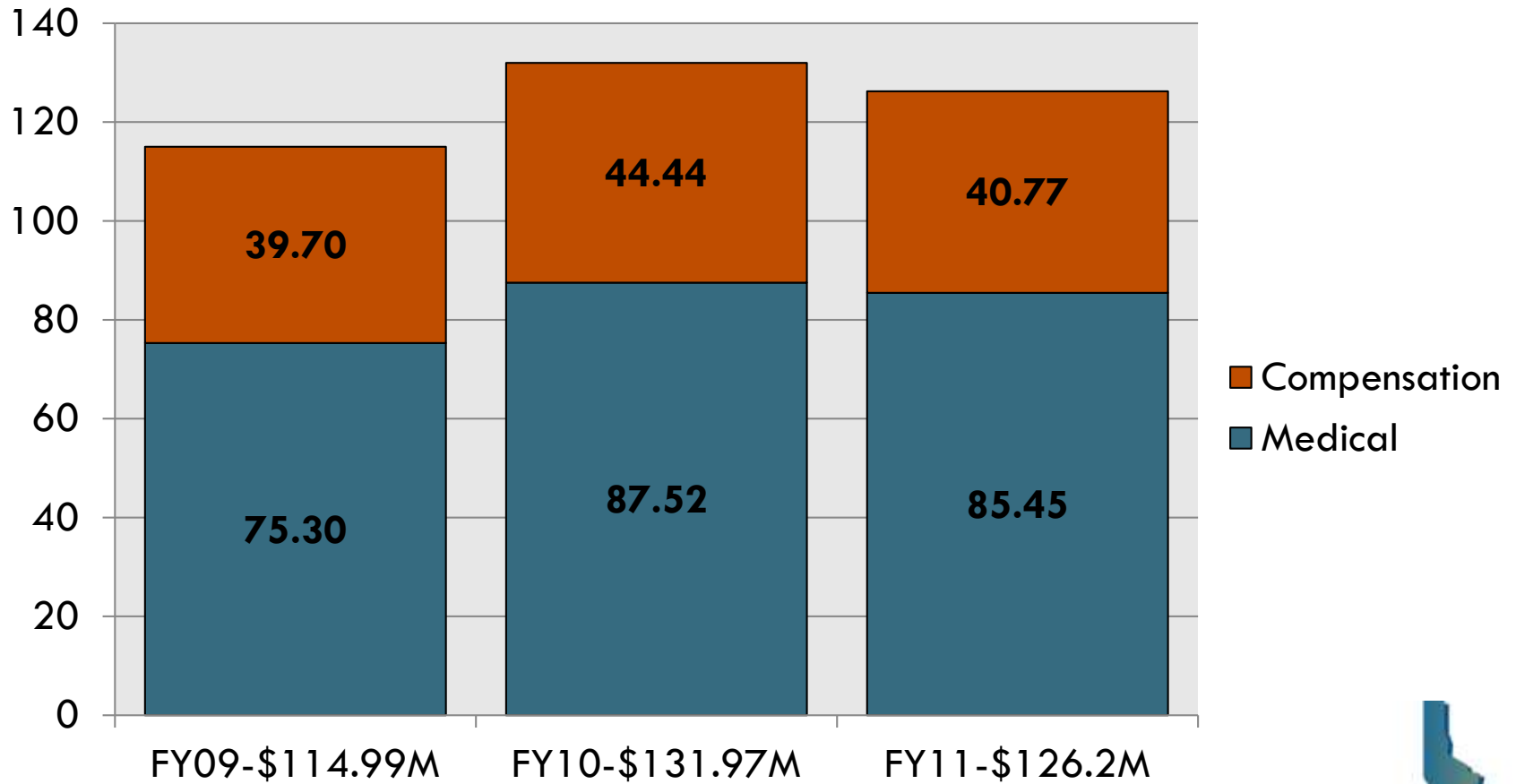
4

- 31,672 accidents reported
- 5,110 compensable time-loss (CTL) cases
- 26 fatalities
- \$126.2 million paid by workers' compensation insurers on CTL cases
 - \$85,456,582 in medical (67.7%)
 - \$40,768,141 in wage compensation (32.3%)



Time-Loss Benefits in Millions

5



Adjudication Division

6

- The Commission is an Administrative Court with exclusive jurisdiction over Workers' Compensation Law
- Decides disputed workers' compensation cases
 - Hearings
 - Case Settlements
 - Mediations
- Resolves medical fee disputes
- Provides final decisions on unemployment appeals from Department of Labor



Employer Compliance Division

7

- Staff receives business registrations from the state's online business registration program and notices of insurance cancellations from National Council of Compensation Insurance (NCCI)
 - 9,011 business registrations
 - 4,625 letters sent due to cancellations
- Corresponded with 13,895 employers last year regarding their coverage status
 - 12,120 employees became covered by workers' compensation insurance as a result of contact by the Employer Compliance Division



Rehabilitation Division

8

- Created in 1974 with the support of industry to assist injured workers return to gainful employment
 - Services are provided to employers, insurers and employees
 - Works closely with employers, medical providers and sureties to facilitate medical recovery and return to work



Crime Victims Compensation Program

9

- Provides financial assistance to innocent victims of crime
 - Helps pay for medical, psychological, sexual assault forensic examinations, wage loss, death benefits, and funeral expenses
 - 83% of cases filed involve criminal misconduct against women and children
 - \$25,000 maximum benefit
 - Since program's inception, nearly 32,000 victims have been assisted by the program



Crime Victims Program Funding

10

- No general fund dollars
- Fines imposed on offenders convicted of crimes in Idaho, **AND**
- The Victims of Crime Act of 1984 (VOCA) Federal Grant Award
- FY11: \$2,084,757 paid to innocent victims of crime and service providers



Division of Building Safety

11

- Logging and Industrial Safety Bureau funded by the Commission since FY89 through workers' compensation premiums
 - Logging safety: **\$388K**
 - Safety training for loggers
 - Inspects logging operations
 - Safety inspections: **\$700K**
 - Inspects state-owned/maintained buildings and schools to ensure safe conditions for occupants
 - Inspects all public school facilities
 - Inspects political subdivisions upon request



Changes In Workforce

12

- 137.25 positions
 - Reduced from 138 positions in FY11
 - 141.5 positions in FY10
- Additional staff required to meet federal unemployment appeals average case age of 40 days
 - Retain 5 additional workers paid through OE

Changes to Funding

13

- HB 240 passed by 2011 Legislature amended IC§ 72-523 to reduce the Premium Tax rate by 20% effective January 1, 2012
- Premium Tax is collected semi-annually; first collection period under new rate is July 31, 2012



FY 2013 Budget Request

14

LBB pg 5-39

Base Adjustment: **-\$2,176,600**

- **-\$1,717,900** dedicated funds
- **-\$458,700** federal funds
- **-.75** FTP



FY 2013 Budget Request

15

LBB pg 5-39

Replacement Items: \$116,000

- 2 vehicles for Employer Compliance
- Cubicle workstations for Crime Victims
- 24 desktop, 2 laptop computers
- 1 server, 3 printers



FY 2013 Budget Request

16

LBB pg 5-40

Line Item: \$337,900

Object Transfer from Operating Expenditures to Personnel Costs

	Compensation	Rehabilitation	Crime Victims	Adjudication
PC	\$130,300	\$39,300	\$33,200	\$135,100
OE	(\$204,900)	(\$99,800)	(\$33,200)	(\$0)
TOTAL	(\$74,600)	(\$60,500)	(\$0)	\$135,100

100% Dedicated funds

No increase in spending authority

No change in FTP



Personnel Statistics

17

- Turnover Rate
 - Commission rate – 16.1%
 - Typically 5 – 6 vacant positions which the Commission is actively recruiting to fill at any given time
 - No positions are being held vacant

- Compa-ratio
 - Commission ratio – 80.9%

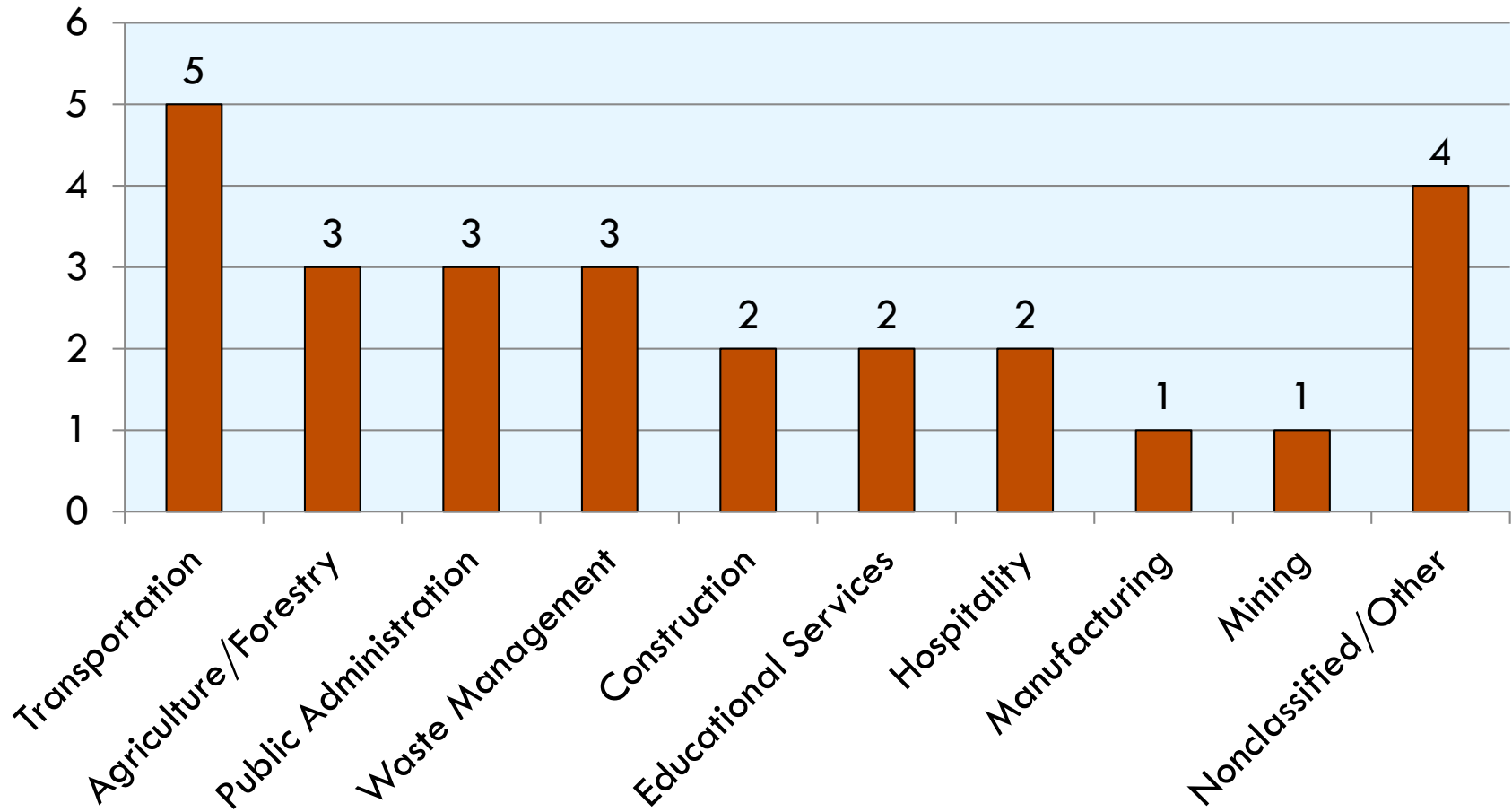


Appendix

- Fatalities by Industry
- Compliance Investigation Results
- Division of Building Safety Appropriations
- NCCI Rate Changes
- Advisory Committee Members

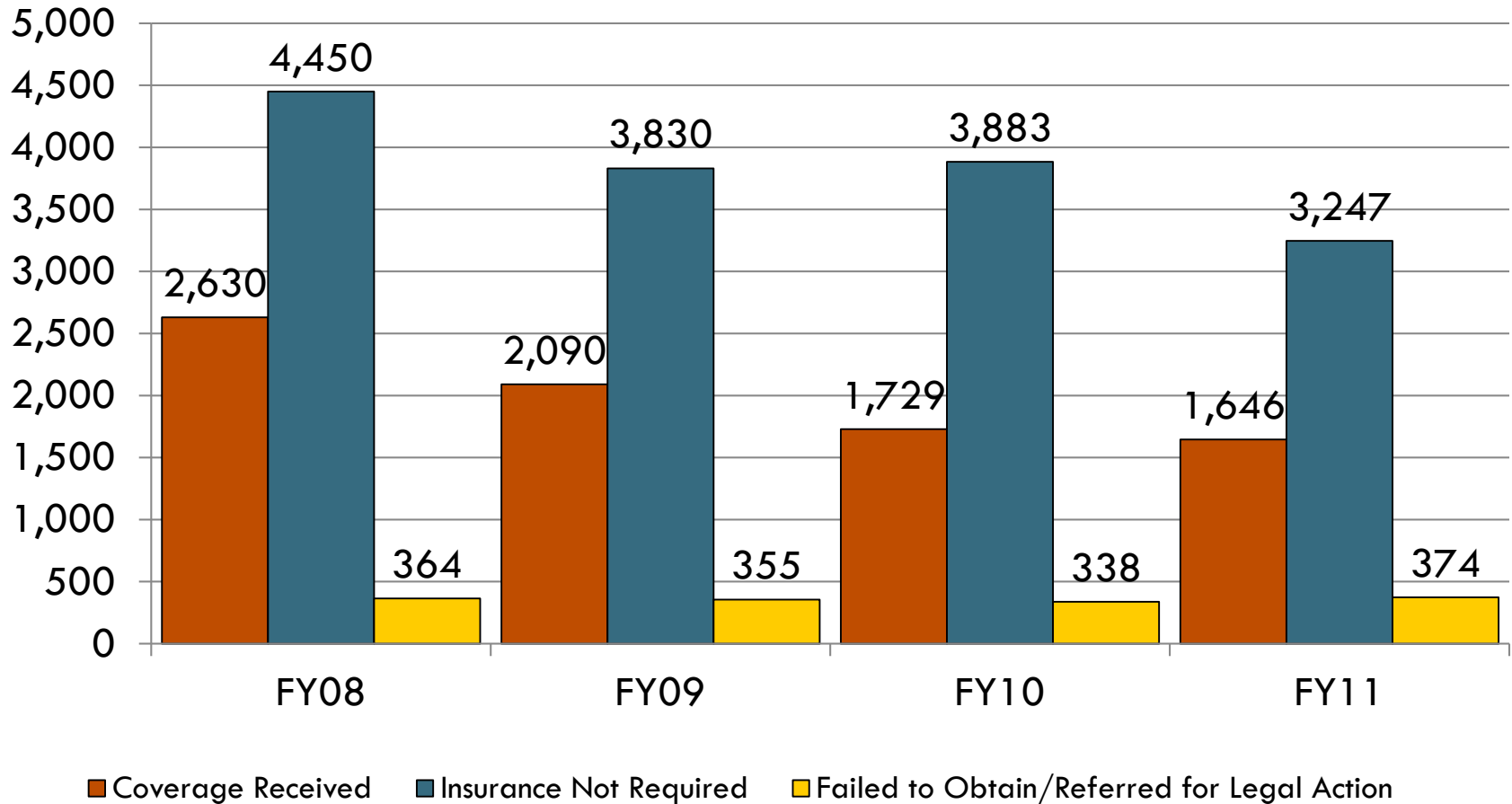
Fatalities by Industry

19



Compliance Investigation Results

20



Division of Building Safety Appropriations

21

FY12

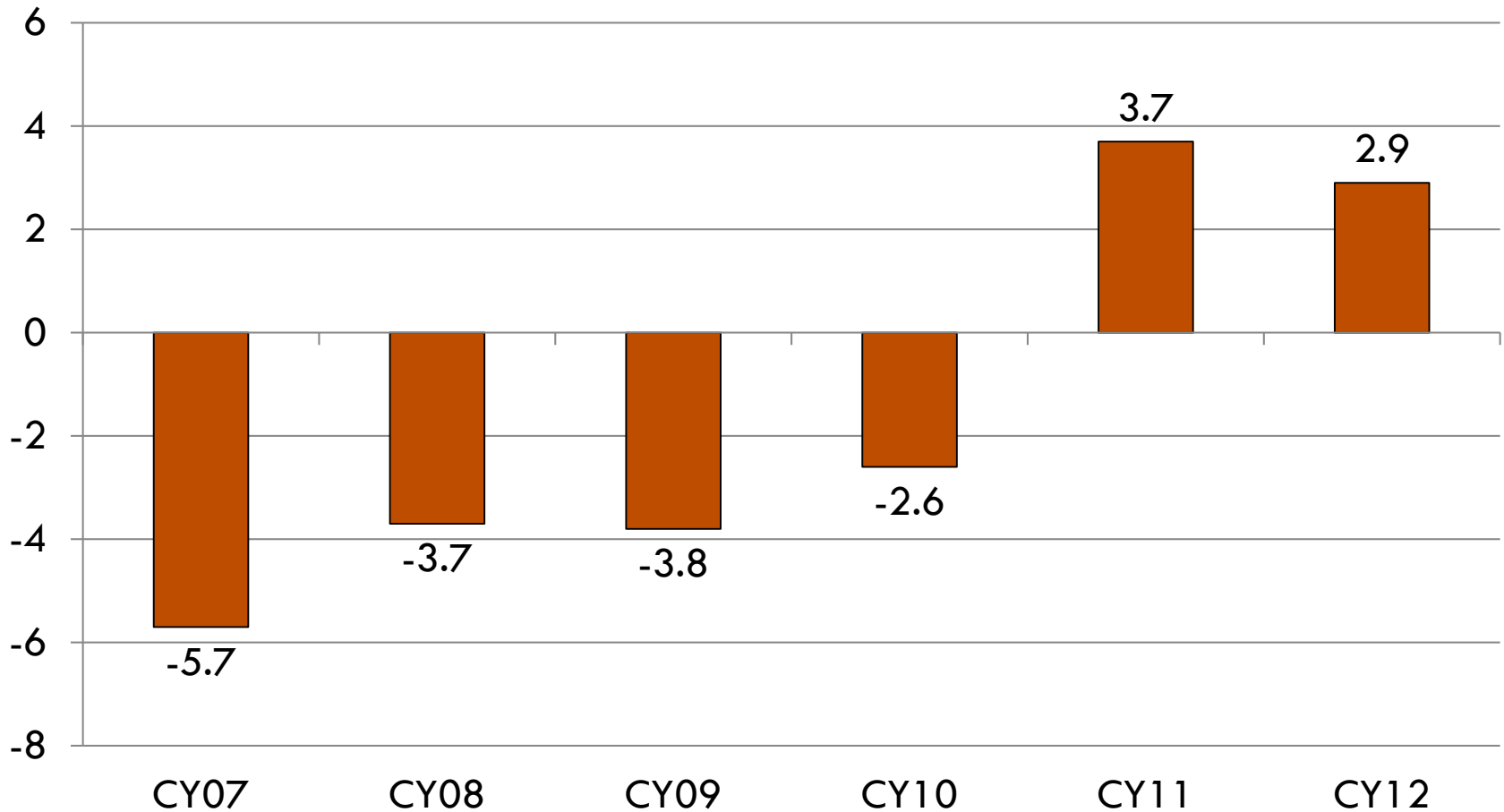
Logging Safety	\$388,500
School/Facility Safety Inspections	\$701,300
TOTAL	\$1,089,800

Estimated FY13

Logging Safety	\$384,400
School/Safety Inspections	\$700,300
TOTAL	\$1,084,700

NCCI Rate Changes

22



Industrial Commission's Advisory Committee on Workers' Compensation

23

2011 – 2012 Members

- David Whaley – Idaho AFL-CIO
- Rian VanLeuven – PACE #608
- Clay Atwood – Operating Engineers
- Jasen Carrier – City of Boise
- Jacki Royster – Buck Knives
- Roy Galbreath – J.R. Simplot
- Mike Haxby – Intermountain Claims
- James Alcorn – State Insurance Fund
- James Arnold – Petersen Parkinson & Arnold
- John Greenfield – Huntley Law Firm
- Susan Veltman – Gardner & Breen
- Gardner Skinner – Cantrell Skinner Sullivan & King, LLP
- Steve Millard – Idaho Hospital Association
- Paul Collins – M.D.
- Senator John Andreason
- Representative Jeff Nasset